

~~CONFIDENTIAL~~

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Office Memorandum • UNITED STATES GOVERNMENT

TO : General Counsel

DATE: 16 September 1954

FROM : Chief, Fiscal Division

OGC Has Reviewed

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SUBJECT:

1. There is attached a copy of a memorandum of 1 September 1954 to the Comptroller from the Office of Personnel with reference to the subject individual's employment with the Agency and payment to him of compensation therefor.

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2. Personel Service Contract, Form No. 37-53, reveals that he was employed as a retired officer of the Armed Services and as an intermittent consultant to "act as a Consultant to officials of OPC, FE in formulating plans and policies for a major operational activity contemplated by that group"; duration of contract was from 19 March 1951 to 30 June 1951 (contract extended thereafter and yearly through and of each FY 1952, 1953, 1954); and, rate of compensation was fixed at "\$35.00 per day of service".

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3. The contract with the and his services to the Agency bear some similarity to the contract with and his services to the Agency which is also discussed in another memorandum of this Division to your Office of this date; however, the duration of the services by the over the period of four years, the number of days within the range of 119 to 196 of service in each year, and the amounts paid him each year, indicate circumstances which might very well characterize him as holding a position, receiving compensation on a time rather than a fee basis, and receiving such compensation concurrently with his annuity in contravention of the applicable statutes of the U. S. Code. In this case also, the General Accounting Office has not questioned the propriety of the payments made.

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4. While it would seem that the Finance Office of the Army should be informed by letter of the facts, the opinion of your Office is requested before further action is taken by either the Personnel Office or this Division.



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Attachment